

VOCATIONAL REHABILITATION PORTABILITY

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MAKING VOCATIONAL REHABILITATION PORTABLE FOR AMERICANS WITH DISABILITIES

Recommended Administrative Actions for the U.S. Departments of Education and Health and Human Services

Disability doesn't stop at a state line. A worker, a student, or a family should not have to turn down an employment or education opportunity just because they can't take their state's disability support with them.

Vocational Rehabilitation, Medicaid, and Home- and Community-Based Services waivers should make participation portable across the United States.

INTRODUCTION

Imagine a Deaf student in Mississippi who, with the help of a vocational rehabilitation counselor, earns admission to her dream business program at Gallaudet University, the nation's premier university for students who are Deaf or hard of hearing. She has worked hard for this opportunity but cannot afford to attend without vocational rehabilitation support. Yet when she moves to Washington, D.C., she may have to establish D.C. residency and wait months for services to be approved, if they are approved at all, because the support she qualified for in Mississippi does not follow her across state lines.

This is just one example of the bureaucratic barriers people with disabilities must navigate as they pursue education, careers, and greater independence. It does not have to be this way.

The U.S. Departments of Education and Health and Human Services can help states remove these barriers and create a system in which education and workforce opportunities follow individuals regardless of their ZIP code.

THIS LAW is especially noteworthy in two respects. In the first place, it reemphasizes to all the world the great value which we, in America, place upon the dignity and worth of each individual human being.

Second, it is a humanitarian investment of great importance, yet it saves substantial sums of money for both Federal and State governments."

DWIGHT D. EISENHOWER

August 3, 1954 • Signing of the Vocational Rehabilitation Amendments of 1954 (PL 565)

KEY TAKEAWAYS

- Disability doesn't stop at a state line. Opportunity shouldn't either. Able Americans is calling for portable Vocational Rehabilitation (VR) supports so people with disabilities can pursue education, careers, and greater independence wherever opportunity leads.
- Inclusive postsecondary education, internships, and programs increasingly draw students across state lines, but state-administered supports often do not travel with them.
- Our proposed "ABLE Backpack" would use optional ABLE accounts to help ensure that approved VR supports can travel with individuals when they cross state lines.

IN THIS REPORT

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- ✓ Recommended Administrative Actions
- ✓ State Implementation Suggestions



THE PROBLEM

Inclusive postsecondary education, apprenticeships, internships, and specialized workforce programs increasingly draw students across state lines, but state-administered supports often do not travel with them.

While students without disabilities routinely choose the program that best fits their ambitions, students with disabilities too often begin with a different consideration: whether the services they rely on will follow them across state lines.

The result is fewer options for individuals and families and fewer pathways to competitive integrated employment. Vocational Rehabilitation (VR), federally administered by the U.S. Department of Education's Rehabilitation Services Administration (RSA), is the nation's primary federal-state workforce program dedicated to helping youth and adults with disabilities prepare for, obtain, retain, and advance in competitive integrated employment.

State VR agencies provide individualized services such as career counseling, college and workforce training, tuition assistance, transportation, assistive technology, workplace accommodations, job coaching, and placement through an Individualized Plan for Employment (IPE).

ALREADY ON THE BOOKS

Existing Federal Rules that Encourage Portability:

- State VR agencies may prefer in-state services, but may not effectively deny an individual a necessary service or prohibit out-of-state services (34 C.F.R. § 361.50(b)).
- VR plans must maintain informed choice and flexible procurement (34 C.F.R. § 361.52).
- In January 2025, OSERS confirmed in Question E-5 that VR funds may support an eligible student in a Comprehensive Transition Program (CTP) when the training is necessary to achieve the student's approved IPE goal and competitive integrated employment, consistent with section 103(a)(5) of the Rehabilitation Act and 34 C.F.R. § 361.48(b)(6).

SYRACUSE UNIVERSITY'S TAISHOFF CENTER

Students with Disabilities Should Not Have to Choose Between the Right College and the Benefits That Make Attendance Possible

The Lawrence B. Taishoff Center for Inclusive Higher Education, established in 2009 at Syracuse University, offers the InclusiveU program for college students with intellectual and developmental disabilities (IDD).

Since its launch, InclusiveU has provided a pathway to inclusive higher education for more than 320 students, and the program currently serves more than 100 students with intellectual and developmental disabilities (IDD) from across the country.

The program provides individualized coursework, person-centered planning, professional internships, and opportunities to participate in campus life through social and extracurricular activities.

Programs like InclusiveU demonstrate what is possible when students with disabilities have access to inclusive higher education opportunities.

Many students across the United States have the academic potential, career aspirations, and desire to attend these programs, but a significant barrier remains — states are not allowing benefits like Vocational Rehabilitation, Medicaid, and Home- and Community-Based Services (HCBS) waiver supports to follow an individual across state lines.

As a result, students who depend on Medicaid-funded services for daily living, personal care, transportation, employment supports, or community participation are often forced to make an impossible choice. They must either forgo the opportunity to attend the college of their dreams or leave behind the essential supports they rely on to live safely and independently.

This lack of portability creates inequitable access to higher education, limits career and personal development opportunities, and prevents many individuals with IDD from pursuing the same educational experiences available to their peers without disabilities.

Recommended Administrative Actions

1 Issue Joint ED-HHS/CMS Guidance to Make VR, Medicaid, and HCBS Waiver Supports Portable Across State Lines

The U.S. Department of Education's Rehabilitation Services Administration and the U.S. Department of Health and Human Services, through the Centers for Medicare & Medicaid Services (CMS) and the Administration on Disabilities (AoD), should issue joint guidance clarifying how state VR agencies, Medicaid agencies, developmental-disability agencies, and institutions of higher education can coordinate services for individuals pursuing approved education, training, apprenticeships, internships, or employment opportunities across state lines.

The guidance should affirm that a temporary relocation should not, by itself, result in closure of a VR case, a duplicative eligibility determination, or interruption of an approved Individualized Plan for Employment.

It should also direct states to review their policies for compliance with the existing prohibition against effectively barring necessary out-of-state VR services under 34 C.F.R. § 361.50(b).

The agencies should accompany the guidance with a model interstate memorandum of agreement addressing home-state fiscal responsibility, host-state service delivery, Medicaid and HCBS coordination, provider enrollment, payment and reimbursement, records sharing with informed consent, privacy protections, dispute resolution, and continuity of services while disagreements are resolved.

The model should implement existing federal requirements for coordination among VR, Medicaid, developmental-disability agencies, and public institutions of higher education under 34 C.F.R. §§ 361.24(f)–(g) and 361.53(d).

Together, the guidance and model agreements would give states a consistent, legally grounded framework for allowing federally supported VR funding and related services to follow the individual rather than stop at the state line.

2 Make the Individualized Plan for Employment (IPE) a Portability Passport

RSA should publish a model interstate IPE addendum that identifies the employment goal, approved program, home-state lead agency, host-state contact, services and providers, payment responsibilities, dispute process, and continuity plan.

States should accept verified eligibility and existing assessments to the maximum extent allowed, use a common secure transfer protocol, and complete any necessary amendment before the student moves.

A “no wrong door” escalation process should keep services flowing during interagency disputes.

3 Integrate ABLE accounts by Establishing a National ABLE-VR Partnership and “ABLE Backpack” for Portable Employment Supports

The U.S. Departments of Education and Health and Human Services should establish a national initiative encouraging state Vocational Rehabilitation agencies to offer ABLE accounts as an optional financial-management and payment tool for VR consumers.

The program would be led by the RSA in partnership with HHS's AoD and CMS — and coordinated with the Department of the Treasury, Internal Revenue Service, Social Security Administration, and Department of Labor's Office of Disability Employment Policy. This coordination of efforts would help states integrate ABLE education and utilization into transition planning, benefits counseling, and Individualized Plans for Employment.

Under this recommendation, state VR agencies would be encouraged to coordinate IPE-approved financial assistance with a consumer's ABLE account for allowable education, training, credentialing, transportation, assistive technology,

personal-support, housing, and other employment-related expenses.

Participation should be voluntary, and ABLE accounts must supplement — not replace — VR, Medicaid, educational institutions, and other public agencies' legal responsibilities.

A consumer should never be required to open an ABLE account, spend personal ABLE savings, or treat an ABLE account as a comparable benefit or condition of receiving VR services.

To make this model workable, the Administration should seek to exempt federal and state VR payments and benefits made pursuant to an approved IPE from the annual ABLE contribution limit. Because the contribution limit is established under section 529A of the Internal Revenue Code, Education and HHS should work with Treasury and the IRS to determine whether any relief

can be provided administratively.

If existing authority is insufficient, the Administration should submit and support a narrowly tailored legislative proposal excluding qualified VR payments from the annual limit.

This exemption should apply only to properly authorized VR funds and should not reduce the beneficiary's ability to receive contributions from earnings, family members, employers, or other sources.

State ABLE programs should also be encouraged to develop an **ABLE Backpack**: a standardized, portable framework through which approved VR supports can follow an individual across state lines.

The ABLE Backpack would remain connected to the consumer's existing ABLE account and IPE while allowing the home-state VR agency to pay approved expenses associated with an out-of-state college, Comprehensive Transition Program, apprenticeship, specialized training provider, internship, or employment opportunity.

States Participating in a National ABLE-VR Partnership Should Incorporate:

- ✓ Clear identification of VR-funded deposits and expenditures
- ✓ Direct-payment and reimbursement options for consumers and approved providers
- ✓ A secure record of authorized expenses, receipts, and remaining VR funds
- ✓ Interoperability among state VR agencies, ABLE programs, and out-of-state providers
- ✓ Consumer-accessible financial education and account-management tools
- ✓ Fraud prevention, reconciliation, audit, and improper-payment procedures
- ✓ Protections preventing VR-funded deposits from affecting Medicaid, SSI, or other benefits
- ✓ Continued home-state responsibility for the IPE and approved VR services

Education and HHS should support implementation through model guidance, counselor training, standardized interagency agreements, technical assistance, and national communities of practice.

Initial demonstration states should evaluate payment speed, administrative savings, account enrollment, financial knowledge, cross-state participation, credential completion, competitive integrated employment, wages, job retention, participant satisfaction, and program integrity.

A national ABLE-VR partnership would transform ABLE from an underused savings vehicle into a practical workforce and economic-mobility tool — giving VR consumers greater control while making employment supports more flexible, efficient, accountable, and portable across state lines.

Participation should be voluntary, and ABLE accounts must supplement — not replace — VR, Medicaid, educational institutions, and other public agencies' legal responsibilities.

4 Utilize Fintech for Program Integrity

Education and HHS should provide guidance to states and providers on how to give individuals more direct control over approved funds while also preserving clear guardrails and accountability.

States could use restricted individual accounts or financial technology (fintech), such as digital wallets, to allow VR participants to purchase authorized education, training, transportation, assistive technology, or employment support from approved vendors.

Spending rules could be built directly into these accounts to ensure funds are used only for approved purposes.

Real-time transaction data could help agencies confirm that funds are being used only for pre-programmed, allowable purposes, identify unusual activity, reduce paperwork, and maintain a clearer audit trail than traditional reimbursement systems.

Done well, this approach could pair greater consumer choice and flexibility with stronger fiscal oversight—making VR services easier to use while ensuring public dollars are tied to employment-related outcomes.

CONCLUSION

A state line should not determine whether a person with a disability can attend the right college, pursue specialized training, accept an apprenticeship, or take the right job. Federal VR rules should already protect access to necessary out-of-state services, require informed choice, and allow individualized education and training when tied to an approved employment goal.

What is missing is a clear framework to make those protections work in practice. Education and HHS can act together to make portability the expectation rather than the exception through joint guidance, interstate agreements, portable IPEs, stronger use of ABLE accounts, and modern payment technology.

The principle is simple:

The supports that make independence possible should follow the individual where opportunity leads.

SOURCES

- U.S. Department of Education, OSERS, “Coordinating Transition Services and Postsecondary Access” (Jan. 16, 2025), including Question E-5. [Source Link](#)*
- Electronic Code of Federal Regulations, 34 C.F.R. part 361, especially §§ 361.24, 361.48, 361.50, 361.52, and 361.53. [Source Link](#)
- CMS/HCFA, State Medicaid Director Letter, Olmstead Update No. 3, Attachment 3-e: Out-of-State Services (July 25, 2000). [Source Link](#)
- U.S. Department of Education, TPSID and TPSID Coordinating Center program information. [Source Link](#)
- Internal Revenue Service, ABLE accounts and qualified disability expenses. [Source Link](#)

ABOUT THE AUTHORS

Sara Hart Weir and Rachel Barkley serve with the National Center for Public Policy Research’s Able Americans project — Sara as a Senior Fellow, and Rachel as Director.

Able Americans is a nonprofit, nonpartisan think tank project dedicated to advancing innovative, free-market solutions that empower Americans with intellectual, developmental, and physical disabilities.

* [Source Links](#) available via the online copy at www.AbleAmericans.us

A Voice for Hundreds of Thousands of Americans

Meet Nina Bachich

Nina moved to pursue her career. Her disability supports didn't move with her.

When she became paralyzed after college, Nina had to rethink her future. Florida's Vocational Rehabilitation (VR) program helped her get a wheelchair that gave her greater mobility and independence. But its employment plan didn't match her ambitions.

Determined to become a disability policy advocate, Nina enrolled in a master's program in Washington, D.C.

There, she faced another barrier:

a lengthy, burdensome government process **to prove her disability all over again** in order to access the support she needed.

Nina's story shows why VR benefits must be portable across state lines. Programs designed to help people with disabilities enter the workforce should open doors — not create new obstacles.

Please scan this QR code to learn more about Nina and watch how she, like thousands of Americans, has been impacted by the unjust and burdensome policies of Vocational Rehabilitation.



Scan to watch
Nina's story



Able Americans is a program of the National Center for Public Policy Research, a nonprofit, nonpartisan educational foundation based in Washington, D.C. Able Americans supports Americans living with intellectual, developmental and physical disabilities, advocating for innovative solutions that harness the free market, emphasize individual freedom and choice, and remove barriers to progress.

Breaking Barriers - Building Solutions

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